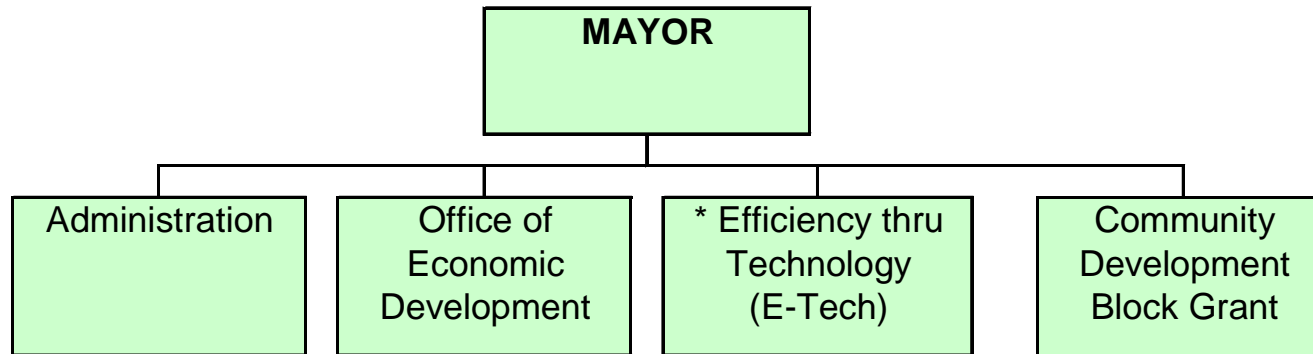


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**Departmental Organization Chart**

\* Efficiency thru Technology (E-Tech) includes FY 2003's SERV and GASB 34 programs.

## **Department Summary**

### ***Mission Statement:***

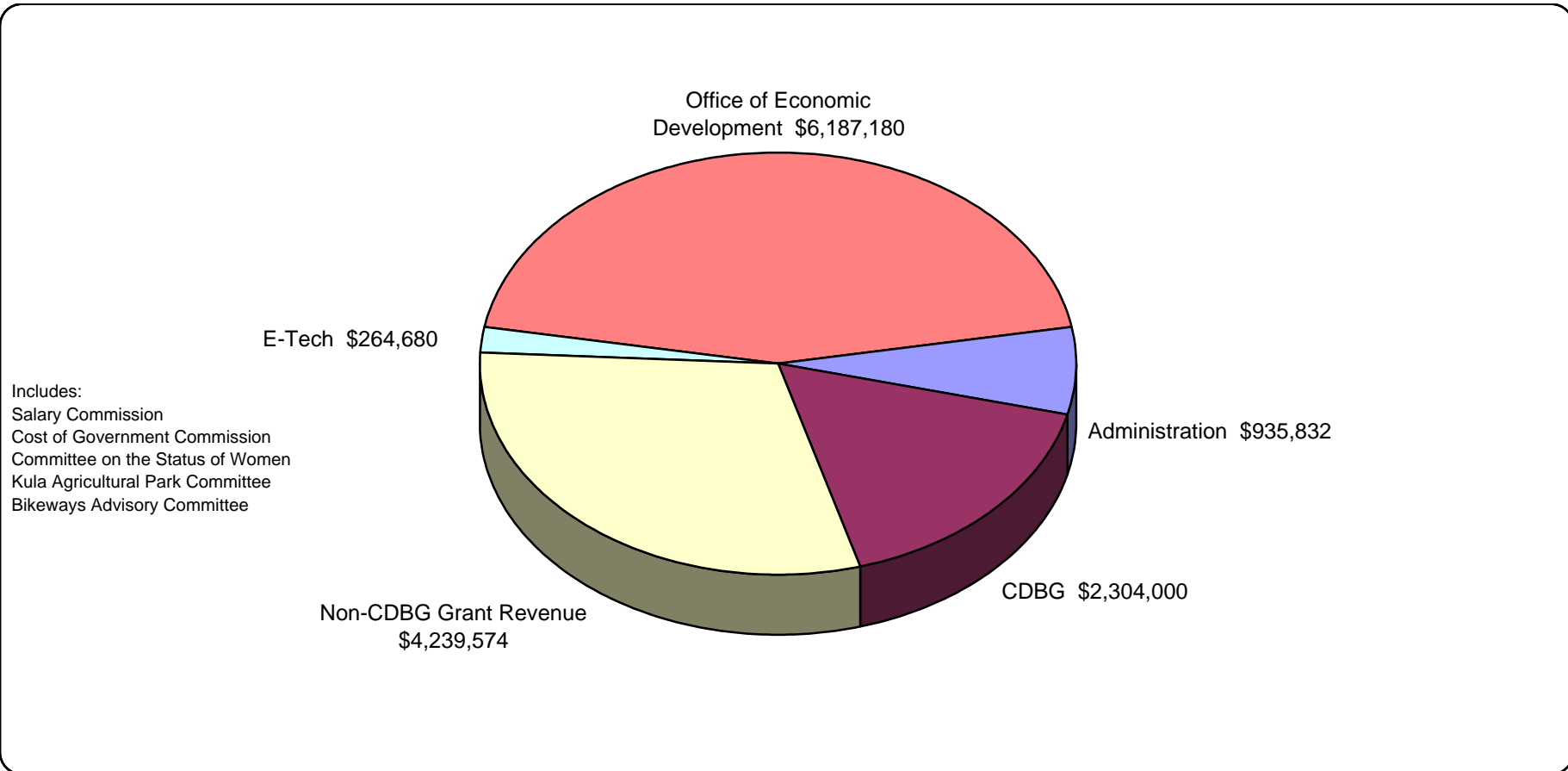
***To provide the best management and leadership team to accomplish the Countywide mission and goals.***

### ***Department Goals:***

1. Admin: To identify key priorities and establish management policies that effectively utilize County resources; and to provide the level of leadership, management, administrative support and communication necessary and appropriate to attain Countywide goals that are consistent with the Mayor's vision for the County.
2. Admin: To improve the overall resident satisfaction rating in the County of Maui by five percent (5%) within the next two (2) fiscal years.
3. Budget: To fully implement a performance based budget.
4. OED: Maintain Maui County's market share in the visitor industry.
5. OED: Diversify Maui County's economy by 5% in 5 years
6. OED: Enhance Maui County's economic viability and quality of life.
7. OED: Assist OED grantees to succeed through supportive grants administration.
8. E-Tech: Complete pre-existing efficiency technology projects as scheduled and within budget according to E-Tech Project Funding Request FY2004 Plan (dated February 13, 2003).
9. E-Tech: Implement an effective infrastructure asset management system.
10. CDBG: To maintain a cap on expenses associated with administration of the program of 20% of total funding for the CDBG program.
11. CDBG: To maintain a level of 1.5% or less of unspent funds by the end of FY2004
12. CDBG: To maintain a completed project rate of at least 55% or higher by the end of FY 2004

**Department Summary*****Department Revenues and Expenditures:***

	<u>General Fund</u>	<u>Bond Fund</u>	<u>Federal Funds</u>	<u>State Funds</u>	<u>Lapsed Bond</u>	<u>Park Assessment</u>	<u>Grant Revenue</u>	<u>Total</u>
<b><u>Revenues</u></b>								
<b>Total Revenues</b>	\$ 7,387,692	\$ 4,050,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,543,574	\$ 17,981,266
<b><u>Expenditures</u></b>								
Administration	\$ 935,832	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 935,832
OED	6,187,180	0	0	0	0	0	4,239,574	10,426,754
E-Tech	264,680	0	0	0	0	0	0	264,680
CDBG	0	0	0	0	0	0	2,304,000	2,304,000
CIP	0	4,050,000	0	0	0	0	0	4,050,000
<b>Total Expenditures</b>	\$ 7,387,692	\$ 4,050,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,543,574	\$ 17,981,266

**Department Summary*****FY 2004 Budget by Program***

General Fund:	\$	7,387,692
Grant Revenue:	\$	6,543,574
<b>TOTAL BUDGET:</b>	<b>\$</b>	<b>13,931,266</b>

## Administration

### *Program Description:*

The Administration program within the Office of the Mayor establishes and directs basic policies and management guidelines for all executive departments of the County and serves as a liaison between the County Council and executive department and agencies.

Program staff overseas and executes the County's operating and capital improvement program budgets, provides support services to County boards and commissions, responds to citizen concerns, organizes the County's legislative agenda and coordinates internal County communications and the dissemination of information to the public.

### *Program Goals and Activities:*

<b>Goal 1</b>	To identify key priorities and establish management policies that effectively utilize County resources; and to provide the level of leadership, management, administrative support and communication necessary and appropriate to attain Countywide goals that are consistent with the Mayor's vision for the County.				
<b>Completion Date</b>	Ongoing				
<b>Objective of Activity</b>	<b>Division</b>	<b>Activity</b>	<b>Activity Output</b>	<b>Grant Funded</b>	<b>Grant Amount</b>
To ensure clear direction is set and communicated effectively such that County agencies effectively and efficiently meet the Mayor's Countywide goals.	Administration	<p>Establish and communicate goals to Department Directors.</p> <p>Ensure Directors communicate goals to all employees, and direct program activities and manage department operations to ensure that they fulfill, and are aligned with, the Mayor's vision.</p>	<p>Regular and periodic meetings.</p> <p>Clear, concise progress reports.</p> <p>Delivery of program activities consistent with the goals set by the Mayor.</p>	N	

**Administration*****Program Goals and Activities (Continued):***

<b>Goal 2</b>	To improve the overall resident satisfaction rating in the County of Maui by five percent (5%) within the next two (2) fiscal years.
<b>Completion Date</b>	FY2005

Objective of Activity	Division	Activity	Activity Output	Grant Funded	Grant Amount
To work with the departments to improve their customer service to the public.	Administration	Benchmark survey results distributed to the departments in FY2001, compare and evaluate progress with follow up survey in FY2003. Provide direction for improvement.	Survey results.	N	
Provide other avenues to register requests for service (RFS) or complaints.	Administration	Train department users to utilize the KIVA system to log, monitor, follow up and close out Request for Service (RFS).	All RFS reported in the KIVA system are responded to and resolved by the appropriate agency.	N	

<b>Goal 3</b>	To fully implement a performance based budget.
<b>Completion Date</b>	FY2005

Objective of Activity	Division	Activity	Activity Output	Grant Funded	Grant Amount
Create an effective management tool to provide cost-effective services for the County of Maui.	Budget	Create departmental performance based budget program.	Fully implemented departmental performance based budget program.	N	
		Train departmental personnel in Performance Based Budgeting.	Fully trained departmental personnel in Performance Based Budgeting.		
		Identify effective performance measures for each program/division in each department.	Fully implemented performance measures for each program.		
		Identify users and customers.	Listing of users/customers and need for the information.		
		Develop baselines through benchmarking.	Activity costing implemented.		

**Administration*****Program Resources - General Fund:***

Expense Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004		
	Actual	Actual	Actual	Appropriation	Request	Expansion	Actual
Salaries and Wages	\$ 693,824	\$ 978,330	\$ 605,574	\$ 676,882	\$ 847,340	\$ 0	\$ 847,340
Operations	112,372	4,309,728	529,327	483,010	81,292	0	81,292
Equipment	16,909	206,376	2,241	21,024	7,200	0	7,200
Program Total	\$ 823,105	\$ 5,494,434	\$ 1,137,142	\$ 1,180,916	\$ 935,832	\$ 0	\$ 935,832

FY 2001: Administration Program included the Office of Economic Development and Tech Program

FY 2002: Office of Economic Development is a separate program.

***Program Highlights:***

For the eighth consecutive year, the Maui County program budget (for fiscal year beginning July 1, 2002) was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association (GFOA). To achieve this prestigious award, the Budget document must meet stringent program criteria as a policy document, an operations guide, a finance plan and a communications tool.

The Office of the Mayor, in recognition of the value of enhanced communication, continued initiatives started in FY02 to increase the accessibility to the general public. In partnership with the Maui County Council, the County of Maui website was established and is continually updated to reflect current information and events. Information relating to County departments and services may be accessed from home or from business sites throughout the world.

With tourism being the mainstay of the County's economy, Maui's economic performance was adversely affected by the aftermath of the tragic events of September 11, 2001. Fortunately, the Maui's visitor industry proved to be quite resilient. Due in part to a strategic decision made many years ago to target the upscale visitor, Maui County's visitor industry sector began to rebound as early as November 2001 and closed the year with only a 4% decline over calendar year 2000. Current reports continue to disclose high hotel room occupancy and visitor spending.

For the ninth consecutive year (since 1994) readers of Conde Nast Traveler magazine named Maui as the "Best Island in the World" and Travel & Leisure magazine readers ranked Maui "Best Island in the State of Hawaii" in 2002. Recognizing the importance of the visitor industry to the County's economy, Maui continues to provide strong support to the Maui Visitor's Bureau.

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## Administration

### *Program Highlights (Continued):*

Our County's film industry continues as a growth industry, increasing to \$8 million in 2002 from \$6 million in 2001. Major national and international sporting events also continue to draw visitors to the County with events ranging from the Hula Bowl and the Maui Invitational Basketball Tournament, to renown international tournaments in golf (Mercedes Championship, Senior Skins, EMC Kaanapali Senior PGA), tennis (Wilson Kapalua Tennis Open, Kapalua Junior Vet/Senior), marathons (Maui Marathon, Xterra Championships), and triathlons (Maui Triathlon, King's Trail Triathlon). Maui's north shore is known as the windsurfing capital of the world, and hosts spectacular wavesailing and windsurfing championships. Recognizing the economic benefit of the Hula Bowl, Maui County successfully entered into negotiations in FY03 and extended the contract to keep the Hula Bowl on Maui for another five years to 2008.

The stability in our tourism industry, in conjunction with diversification in other industrial sectors such as agriculture, film, high-technology, sporting events and construction provides Maui County's economy with the ability to weather and grow despite national and international events. Economic reports continue to indicate a healthy future for business starts as well as low unemployment.

The Mayor's Office has utilized unique partnerships to accomplish many goals in varying areas. In regards to economic development, the partnership formed with the Maui Economic Development Board (MEDB) continues to reach out to potential business relocations, expansions and start-ups, to improve economic literacy, increase awareness of Maui's strengths and potential as a technology hub, and implement our comprehensive economic development strategy. The Maui Research and Technology Park now enjoys full occupancy, sending the strong message that Maui is the ideal place to do business. The Friends of Maui - Northern California Chapter, organized to assist Maui in its efforts to grow the technology sector of the economy, also continued with its support.

The value of public input was the basis of forming eight district advisory committees. Volunteers representing Wailuku/Kahului, Hana, South Maui, West Maui, UpCountry, Paia/Haiku and the islands of Lanai and Molokai, provide valuable information on County related issues and concerns. Task forces and advisory committees, such as the Parks advisory committee, are also formed as another means to solicit community input to assist in addressing Countywide concerns. Continuing from FY 2002, a second round of Town Hall meetings was conducted - bringing government to the people with the Directors or Deputy Directors of each County agency participating and addressing concerns of residents in their districts. Increasing community involvement continues to be a key initiative of the Office of the Mayor.

In an effort to improve customer service and increase efficiency within our departments, the Office of the Mayor initiated the SERV (Service Efficiency Result Valuation) Project. The overall vision for the project is to "...create a responsive innovative team that will meet the needs of our community and establish the foundation for the success of Maui County's future generations." The scope of the project is vast and dynamic, with every County department involved in some aspect of the review and revision of government practices to maximize existing resources through streamlined processes, complimented with effective technological platforms that integrate data sharing. The Division of Motor Vehicles & Licensing, the Real Property Tax Division and Accounts Division in the Finance Department, the GIS and MIS Divisions in the Department of Management, the Grants Management Division in the Department of Housing and Human Concerns, the Recreation and Support Services Division of the Department of Parks and Recreation, and the Planning Department are among the agencies that have led in the SERV effort. Building upon efforts to create an efficient and service-oriented government, the County opened its new Service Center in Kahului in August 2002. The Service Center provides the public with a conveniently located facility which centralizes the services for real property tax, motor vehicle registration, driver licensing, refuse services and water bill payments.



## **Administration**

### ***Program Highlights (Continued):***

The revitalization of Wailuku Town remains an important goal. Assisted by a Housing and Urban Development (HUD) grant, the Office of Economic Development (OED) and the Department of Public Works initiated a beautification project to create a mini-park next to Iao Theatre with 38 parking stalls. Also included in this project is a Police Resource Center and public restroom facility which broke ground and is currently under construction.

The Project Impact grant allowed the County of Maui to complete several projects in the area of hazard mitigation. In November 2002, the Maui County Ocean Safety Officers were added to the 800 Mega Hertz emergency radio system (911 dispatch). They are the first Ocean Safety Officers in the State to be put on the system and allows them to coordinate emergency response with Police and Fire at any of our beaches. A new emergency information number, 986-1200, was added for the public to call for information updates during major emergencies. The Civil Defense presence on the County of Maui website was expanded to provide the general public access to all Civil Defense bulletins (high surf, storm updates, road closures, etc.). Also, Civil Defense is moving forward with the Hazard Mitigation Strategy developed for Maui County in FY02 with the hiring of personnel specializing in hazard mitigation.

The state of our community's workforce is key to a healthy community. That is the foremost concern of technology companies considering Maui; and local employers agree. As a result of new federal legislation, Maui County accepted a major role in workforce development. Two important federal grants to improve and upgrade labor force skills were the Workforce Investment Act and the Youth Opportunity Grant awarded to the Moloka'i Enterprise Community. Maui County also administers a special projects grant from the U.S. Department of Housing and Urban Development (HUD) to assist the Moloka'i Enterprise Community with their community-based economic development projects.

## Office of Economic Development

**Program Description:**

The Economic Development division works in partnership with community, government and business to strengthen and diversify the economy of the County of Maui. The foremost goal of Economic Development is to improve the quality of life for the people of Maui County with consideration of its cultures and the environment. Economic Development supports projects within the following primary industry area: visitor; small business; agriculture; aquaculture and other marine programs; film, TV and other entertainment; technology; manufacturing; sports, recreation and other special events; culture and arts and education.

**Program Goals and Objectives:**

<b>GOAL 4</b>	Maintain Maui County's market share in the visitor industry				
<b>Completion Date</b>	On-going				
Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Support promotion of Maui County as a premier visitor destination.	Office of Economic Development	Provide grant to Maui Visitors Bureau (MVB)	Execute MVB grant within 2 weeks of new fiscal year	N	
		Stay abreast of industry trends and activities	Attend MVB Executive Board meetings and related events	N	
		Support a minimum of 5 visitor attraction events	Provide seed grants to 5 events	N	
		Support Aloha festival events throughout Maui County	Provide grants for Hana, Lanai, Molokai and Maui festivals	N	
		Support Lahaina Town events	Provide grant for Celebration of Canoes, Halloween, Chinese New Year	N	
		Support sports events promotion	Facilitate additional events using county facilities and assist current events; provide promotional resources	N	
		Promote Cultural Tourism	Provide grants to encourage cultural sites restoration and events honoring Maui's culture and heritage	N	
		Promote Techno Tourism	Provide grants for meeting attraction	N	

## Office of Economic Development

*Program Goals and Objectives (Continued):*

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Support promotion of Maui County as a premier visitor destination.	Office of Economic Development	Promote the Maui "brand" through film production solicitations	Solicit 5 Maui focused TV shows	N	

<b>GOAL 5</b>	Diversify Maui County's economy by 5% in 5 years.				
<b>Completion Date</b>	June 30, 2008				

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Promote Maui County as a premiere place to do High Tech business	Office of Economic Development	Support Maui Economic Development Board (MEDB)	Provide grant and attend board meetings	N	
		Assist the MEDB's business attraction program	Attend two mainland trade missions and conferences	N	
		Support Maui Economic Development Board (MEDB)		N	
Promote Made on Maui and Grown on Maui products	Office of Economic Development	Support trade associations and organizations promoting Maui made/grown products	Provide grants and attend meetings	N	
		Administer EDA grant for Maui Agricultural Processing and Marketing Center	Submit timely reports; commence construction by September 2003	N	
		Administer Kula Agricultural Park leases	Schedule regular meetings of the Advisory Committee and assist tenants	N	
		Provide technical assistance, training and networking opportunities	Facilitate development of 5 workshops or seminars for non-visitor industry groups	N	
		Encourage entrepreneurship	Provide financial resources for micro-enterprise loan program		
Promote community-based economic development (cbcd)	Office of Economic Development	Support Molokai Enterprise Community (EC)	Provide grant	N	
		Administer HUD grant supporting EC	Submit timely reports and facilitate funds expenditure	N	

## Office of Economic Development

*Program Goals and Objectives (Continued):*

Objectives of Activities	Division	FY 2003 Activity	Activity Output	Grant Funded	Grant Amount
Promote community-based economic development (cbed)	Office of Economic Development	Support cbed projects in East Maui	Provide grants, training, networking	N	
		Administer HUD grant supporting Wailuku mini-park program	Support timely reports and facilitate funds expenditure	Y	
		Support town specific festivals	Provide seed funds for at least 5 events or festivals	N	
		Assist current revitalization efforts in Wailuku and Makawao	Attend appropriate MRA, community association, town meetings and facilitate activities	N	
Promote quality healthcare facilities to be established on Maui	Office of Economic Development	Assist in facilities' assessment efforts	Provide grants, assist in assessments, provide stats	N	
Promote Maui County as a premiere film and entertainment location	Maui County Film Office	Solicit film business for Maui County	Update production guide and website annually	N	
			Process permits within 24 hours of receipt	N	

<b>GOAL 6</b>	Enhance Maui County's economic viability and quality of life.
<b>Completion Date</b>	ongoing

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Address workforce training and employment needs of Maui County businesses.	Office of Economic Development	Administer Workforce Investment Act funds to maximize benefit to County residents	Maintain appropriate records; submit timely reports; liaison with DLIR	Y	\$ 2,923,600
		Support Workforce Investment Board	Staff WIB, prepare materials, arrange logistics for bimonthly meetings	Y	
		Contract for One Stop, adult and dislocated worker program providers	Prepare and monitor contract	Y	

**Office of Economic Development*****Program Goals and Objectives (Continued):***

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Address workforce training and employment needs of Maui County businesses.	Office of Economic Development	Facilitate one stop partnerships and relationships with State DLIR and counterparts in other counties.	Initiate regular meeting and other contacts to enable a good flow of communications and problem solving	Y	
		Practice continuous improvement principles	Attend at least 3 training and technical assistance conferences and workshops		
Prepare Maui County youth for 21st century jobs, careers and entrepreneurship opportunities	Office of Economic Development	Administer Molokai Youth Opportunity Grant	Maintain appropriate records; submit timely reports; monitor contractor; provide technical assistance; liaison with US Dept of Labor	Y	\$ 2,186,099
		Support Youth Council or WIB	Staff Youth Council, prepare materials, arrange logistics for bimonthly meetings		
		Contract for youth services under WIA	Prepare and monitor contract		
Data and statistics to support economic development	Office of Economic Development	Publish Maui County Data Book	Contract with BRL for services	N	
		Update Starting a Business Handbook		N	
		Practice continuous improvement principles	Attend at least 3 training and technical assistance conferences and workshops	N	
		Gather input from businesses	Hold quarterly meeting of Mayor's Small Business Roundtable	N	
Enhance the quality of life in Maui County	Office of Economic Development	Support cultural enrichment	Contract for services with Maui Arts and Cultural Center, Maui Symphony	N	

## Office of Economic Development

**Program Goals and Objectives (Continued):**

<b>GOAL 7</b>	Assist OED grantees to succeed through supportive grants administration
<b>Completion Date</b>	Ongoing

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Timely response to grant information request.	Office of Economic Development	Provide written, verbal or in-person response	Provide appropriate response within 2 working days	N	
Timely orientation of new grantees	Office of Economic Development	Provide training/counseling to new grantees	Training provided within 3 weeks of grant execution	N	
Timely grants administration	Office of Economic Development	Provide expeditious processing of reimbursement requests	Process requests for payment within 24 hours of receipt	N	
		Provide expeditious processing of grant applications	Initiate process by evaluating grant applications within 2 weeks of receipt	N	

**Program Resources - General Fund:**

Expense Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004		
	Actual	Actual	Actual	Appropriation	Request	Expansion	Actual
Salaries and Wages	\$ 263,026	\$ 0	\$ 227,405	\$ 241,944	\$ 237,780	\$ 0	\$ 237,780
Operations	3,983,096	0	5,804,435	6,352,500	<b>5,949,400</b>	0	<b>5,949,400</b>
Equipment	313	0	0	0	0	0	0
Program Total	\$ 4,246,435	\$ 0	\$ 6,031,840	\$ 6,594,444	<b>6,187,180</b>	\$ 0	<b>6,187,180</b>

FY 2001 - Economic Development Program had been incorporated into the Administration Program.

FY 2002 - Office of Economic Development Program has been separated from the Administration Program.

## Office of Economic Development

*Program Resources - Grant Revenue:***Workforce Investment Act Grant Revenue**

Expense Type	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Appropriation	FY 2004		
					Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 58,920	\$ 61,630	\$ 64,350	\$ 66,318	\$ 0	\$ 66,318
Operations	0	2,383,763	1,571,852	1,569,132	2,333,682	0	2,333,682
Equipment	24,697	0	0	0	0	0	0
Program Total	\$ 24,697	\$ 2,442,683	\$ 1,633,482	\$ 1,633,482	\$ 2,400,000	\$ 0	\$ 2,400,000

**Molokai Youth Opportunity Grant Revenue**

Expense Type	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Appropriation	FY 2004		
					Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 53,094	\$ 63,808	\$ 58,866	\$ 58,866	\$ 0	\$ 58,866
Operations	0	2,132,195	2,122,291	1,580,709	1,580,708	0	1,580,708
Equipment	0	0	0	0	0	0	0
Program Total	\$ 0	\$ 2,185,289	\$ 2,186,099	\$ 1,639,575	\$ 1,639,574	\$ 0	\$ 1,639,574

**Maui County Tech Ready Grant Revenue**

Expense Type	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Appropriation	FY 2004		
					Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operations	0	0	0	500,000	0	0	0
Equipment	0	0	0	0	0	0	0
Program Total	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 0	\$ 0

## Office of Economic Development

**Program Resources - Grant Revenue (Continued):****Iao Theater**

Expense Type	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Appropriation	FY 2004		
					Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operations	0	0	0	200,000	0	0	0
Equipment	0	0	0	0	0	0	0
Program Total	\$ 0	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 0

**County Product Enrichment Program**

Expense Type	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Appropriation	FY 2004		
					Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,859	\$ 0	\$ 11,859
Operations	0	0	0	600,000	188,141	0	188,141
Equipment	0	0	0	0	0	0	0
Program Total	\$ 0	\$ 0	\$ 0	\$ 600,000	\$ 200,000	\$ 0	\$ 200,000

**Program Highlights:**

Reports for 2002 show that Maui County's economy has improved since the year before, thanks in part to the growing strength of the Maui brand and appeal, the County's partnership with the community, other government agencies and businesses to strengthen the economy of the County, and greater economic diversity. 2002 also saw an increase in the number and value of film, TV, entertainment, sporting and other events that chose Maui.

Small business continues to be the backbone of Maui's economy. The Office of Economic Development provides ongoing support for business which includes information and research through the notable Business Research Library, annual production of the "Maui County Data Book," assistance with events, marketing and promotion of important industry segments such as agriculture and technology, and organizing workshops to increase business acumen to success in the new economy.

Technology companies and ventures continue to be important to our economy, with technology workers now numbering more than 1,000 tapping into Maui's technology center at the Research Technology Park and creating virtual centers of activity in Lahaina, Upcountry and on Molokai. The Maui Research and Technology Park alone employs 450 people, and another 200-300 employees in the next 23 years.



## Office of Economic Development

### *Program Highlights (Continued):*

Agriculture has and continues to be another important economic factor. The Office of Economic Development continues to support Maui County's farmers in many ways with marketing and exporting seminars, skill building and business training, product promotions, and has worked with them to obtain a federal grant to create a processing and marketing center on the site of the vacuum cooling plant in Omaopio. OED has also assisted Molokai grazers move toward the completion of a slaughterhouse and supported product festivals such as the Ulupalakua Thing.

The state of our workforce is a key to a healthy economy. As a result of Federal legislation, Maui County has expanded its role in workforce development in partnership with the State and private agencies and businesses. OED is the administrative entity for two important Federal grants to improve and upgrade labor force skills: the Workforce Investment Act and the Youth Opportunity Grant awarded for the Molokai Enterprise Community.

The revitalization of Wailuku town remained a focus in 2002. Assisted by HUD grants, OED and Department of Public Works has implemented a beautification project to create a mini-park next to Iao Theatre with 38 parking stalls, a police resource center and a public restroom facility. Because of the Administration's focus on Wailuku, new private redevelopment has been fostered and new businesses opened. The recently adopted Wailuku Redevelopment Plan guides the efforts. OED coordinated and then handed off successful events (Ho'olaulea, Somos Amigos, Maui Matsuri, Chinese New Year) to attract visitors and residents to Wailuku.

The film industry had a banner year with productions filming throughout Maui County and an increased number of commercial shoots. The popular production guide, a directory of industry resources in the County, has been updated and reprinted. This guide enables off-shore productions to utilize local talent and providers. A fourth successful year of the USC Summer Film program on Maui, the Maui Film Festival and Wailea and First Light, the successful Writers Conference all contributed to the growth and visibility of the film and entertainment industry here on Maui.

Support for culture and the arts and targeted activities in Hana and to control invasive species help round out the variety of activities and programs undertaken by this Office.

### *Performance Measures:*

	<b>FY 2002 Actual</b>	<b>FY 2003 Estimate</b>	<b>FY 2003 1st Qtr</b>
Percentage increase (decrease) in visitor days from previous years	-10.09%	17.20%	13.77%
Hotel room occupancy (Maui County figures)	72.95%	71.54%	75.02%
Average daily room rate (Maui County figures)	\$208.62	\$190.65	\$202.14

**Mayor's Economic Development Grant Summary**

<b>Grant</b>	<b>FY 02 Actual</b>	<b>FY 03 Appropriated</b>	<b>FY 04 Request</b>
Agricultural Processing Plant	\$ 250,000	\$ 250,000	\$ 100,000
Agriculture Promotion	49,204	75,000	135,900
Aloha Week Festivals - Maui, Lanai, Molokai, Hana equally	29,987	40,000	40,000
Aquaculture/Marine Resources Development	59,549	60,000	52,200
Business Research Library	100,000	100,000	100,000
Coastal Land Trust - One time grant	0	50,000	0
Cultural Restoration Program	150,000	75,000	0
Culture and Arts	99,792	150,000	0
Dengue Fever, Anthrax and Other health-related issues	0	0	200,000
East Maui Cultural/Economic Development Program	94,971	100,000	50,000
Environmental Protection	0	200,000	250,000
Film Industry Promotion	85,000	85,000	85,000
Fireweed Eradication Program	50,000	0	0
HFI / USC Film School	0	0	60,000
Iao Theater Restoration	0	200,000	0
Junior Achievement	25,000	0	0
Maui Arts and Culture Center	250,000	250,000	250,000
Maui County Farm Bureau	60,000	75,000	75,000
Maui Economic Development Board	150,000	200,000	200,000
Maui Nui Botanical Gardens	100,000	80,000	75,000
Maui Soil/Water Conservation District	0	0	33,800
Maui Symphony Orchestra	100,000	50,000	0
Maui Visitors Bureau	3,300,000	3,500,000	3,600,000
MCC/USC Film School	60,000	60,000	0
MEO Business Development Corp. Microenterprise	150,000	150,000	125,000
Miconia Project	200,000	0	0
Molokai Economic Development and Cultural Program	0	0	30,000
Moloka'i Enterprise Community	50,000	50,000	0
Moloka'i Slaughterhouse	100,000	85,000	0
Paniolo Museum	50,000	0	0
Piko A'o Program - Hawaiian Learning Center at Waihe'e	0	50,000	0
Small Business Promotion	146,730	100,000	100,000
Small Town Development/Revitalization	49,647	50,000	0
Solar Water Heater Initiatives	0	250,000	100,000
Soil/Water Conservation Districts - Molokai and Lanai	0	0	10,000
U.H. College of Tropical Ag and Human Resources	75,000	0	0
U.H. Maui Sea Grant Program	0	0	60,000
Watershed Protection	0	0	200,000
<b>Total Grants</b>	<b>5,834,880</b>	<b>6,335,000</b>	<b>5,931,900</b>

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## Efficiency thru Technology (E-Tech)

### *Program Description:*

In continuing the effort to make government more efficient, cost-effective and service-oriented, the Efficiency thru Technology (E-Tech) Program is being established in the Mayor's Office beginning Fiscal Year 2004 to direct, oversee and coordinate efforts to effectuate changes and lead projects that involve technological enhancements which improve operational efficiency within our County. This program includes a number of pre-existing efficiency technology projects from FY03, as well as continues the effort of the Government Accounting Standards Board Statement Number 34 (GASB 34), which was also initiated in FY 2003. Maintained as separate programs in FY 2003, they are now combined into one program in FY 2004 to maximize resources and provide a more focused and centralized direction. E-Tech will be a dynamic program that is expected to constantly evolve and will include other initiatives that strive toward continual technological improvement in Maui County government for the betterment and benefit of our community and citizens. It is the intent of this program to incorporate viable technology at every opportunity that will enable greater operational efficiency.

The E-Tech Program will focus on enhancing organizational effectiveness and responsiveness by maximizing the use of our existing resources through streamlined processes complimented with effective technological platforms that integrate data sharing in processing and access. E-Tech will strive to raise existing standards through progressive changes in the organization's culture, structure and workflow to accomplish a marked increase in value and delivery of services to the community.

Recognizing the dramatic impact of change on the organization and its employees, the E-Tech Program will also incorporate change management strategies to ensure the existing and new initiatives are successfully embraced and implemented by the organization.

#### Pre-Existing Efficiency Technology Projects

Using an independent assessment of the County's business processes and technological environment that was performed in 1999 by business consultants, Complete Business Solutions Inc., (CBSI) combined with the recent insight of real time observations, a "blueprint" for innovative and progressive changes required throughout the County to produce an improved County government over the long term has been developed. This "blueprint" includes new projects as well as projects that were started in prior years (pre-existing projects) and are well on their way to completion. The accomplishments of several pre-existing projects are discussed later in this document. Due to the magnitude of some initiatives, completion of projects are expected to occur over a period of several years.

#### Government Accounting Standards Board Statement No.34 (GASB 34)

GASB 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments," is the most significant government accounting standard issued since the 1930's. These new reporting requirements changes the presentation of external financial reporting statements to show all available resources and costs associated with those resources to provide for public services. Statement No. 34 also requires that state and local governments begin reporting on the value of their infrastructure assets and depreciate them over their useful life. A primary objective of these changes is to make the financial reports more comprehensive, easier to understand and make government more accountable to their residents.

Although the responsibility of implementing the new financial reporting model rests with the Department of Finance, requirements relating to the infrastructure assets involve several other County agencies (i.e., Department of Public Works and Waste Management, Department of Parks and Recreation, Department of Water Supply, Department of Housing and Human Concerns, etc.). Due to the magnitude and complexity of the infrastructure assets requirements of this accounting pronouncement, and the coordination that would be required among the various agencies, it was deemed necessary and appropriate for the GASB 34 Program to be established in the Mayor's Office.

**Efficiency thru Technology (E-Tech)*****Program Description (Continued):***

Furthermore, as a program directed from the Mayor's Office, direction and monitoring would be centralized to better ensure its successful implementation. Established in FY02, the Program's key objectives are (1) to support the Finance Department in the development of the new reporting model and its implementation for Fiscal Year 2002 and (2) oversee and facilitate the reporting implementation process of identifying, capturing and valuing infrastructure assets consistently and timely among the various agencies by Fiscal Year 2006 in compliance with GASB 34 requirements.

***Program Goals and Objectives:***

<b>Goal 8</b>	Complete pre-existing efficiency technology projects as scheduled and within budget according to E-Tech Project Funding Request FY2004 Plan (dated February 13, 2003).
<b>Completion Date</b>	FY 2004

Objective of Activity	Division	Activity	Activity Output	Grant Funded	Grant Amount
To ensure E-Tech projects are implemented timely, cost effectively and add value to County operations and the community.	E-Tech	Implement all E-Tech initiatives as identified in the "E-Tech Project Funding Requests FY2004 Plan," dated February 13, 2003.	Initiatives fully implemented and operational.	N	

<b>Goal 9</b>	Implement an effective infrastructure asset management system.
<b>Completion Date</b>	FY 2005

Objective of Activity	Division	Activity	Activity Output	Grant Funded	Grant Amount
Improve management of and control costs over County infrastructure assets. Provide a management tool to accurately capture supporting detail information, such that management may effectively track and evaluate infrastructure assets for GASB 34 fixed assets reporting; and to ensure their optimal utilization for the County operations.	E-Tech	Complete a needs assessment analysis and establish the requirements of an asset management system.	System requirements defined.	N	

**Efficiency thru Technology (E-Tech)****Program Resources - General Fund:**

Expense Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004		
	Actual	Actual	Actual	Appropriation	Request	Expansion	Actual
Salaries and Wages	\$ 0	\$ 0	\$ 186,279	\$ 189,936	\$ 125,256	\$ 0	\$ 125,256
Operations	0	0	196,955	430,000	139,424	0	139,424
Equipment	0	0	-1,311	0	0	0	0
Program Total	\$ 0	\$ 0	\$ 381,923	\$ 619,936	\$ 264,680	\$ 0	\$ 264,680

\*FY 2002 and FY2003 data are the totals from the individual SERV and GASB programs

**Program Highlights:**Pre-Existing Efficiency Technology Projects

In Fiscal Year 2003, pre-existing efficiency technology projects (that will be components of the E-Tech Program in FY 2004) significantly increased the lines of communication and information flow between County government and the community at large:

- The second customer satisfaction survey was conducted, which included over 800 responses from residents throughout the County of Maui. This survey was a follow-up to the initial survey conducted in April 2001. The recent survey results and comparison with the baseline survey serve as an important management tool for County departments' directors to focus in order to meet the needs as expressed by the citizens of Maui County.
- The County Service Center in Kahului was completed and opened in July 2002. The new Center consolidated the most widely used County services (Motor Vehicle, Driver's Licensing, Real Property Tax); added a cashiering unit to allow for the collection of refuse service fees and water bill payments; expanded Motor Vehicle & Licensing customer service hours by an additional 10 hours per week to open until 6:00 p.m. Mondays through Fridays; added a user-friendly real property tax records public research area; and is situated in a more centralized location with ample parking and improved accessibility to the public.
- The KIVA land information system continued to be enhanced, with the web-based version being launched in the third quarter of Fiscal Year 2003. This value-added service allows citizens with the ability to access land and permit information 24 hours a day, 7 days a week.
- The County's web site remains a dynamic communication tool with general information, activities and services continually being updated to provide current information. The County's Real Property Tax page was enhanced to provide users with a wide array of ownership and assessment information, and The Request For Services (RFS) web module was launched in 2002 to provide the general public a direct means to contact the County for information or service 24 hours a day, 7 days a week.
- The Department of Parks and Recreation successfully implemented Phase I of a centralized reservations and facilities management system application that allows the general public to reserve any community center of the County from any Parks Department district office or over the world wide web. This automated reservation process eliminates the previous process of the interested party having to make a physical visit at the particular community center site they wish to reserve, and the County's manual reservation record-keeping system.

## Efficiency thru Technology (E-Tech)

### *Program Highlights (Continued):*

#### Government Accounting Standards Board Statement 34 (GASB 34)

In Fiscal Year 2003, a major restructuring of the Integrated Financial & Administrative Solutions (IFAS) accounting system was completed internally by the Finance Department Fiscal Analyst and Accounting System Administrator with assistance provided by SunGuard Bi-Tech. This involved the creation of the new GASB 34 financial reporting model as required by the pronouncement and modifications to the general ledger chart of accounts to capture the information required to be reported. More significantly, the complex system modifications made to the accounting system now allows for the financial reports to be generated directly off IFAS; when previously, these reports were manually prepared and compiled. The system enhancements also improve analytical ability and streamlines the financial reporting process.

The SunGuard Bi-Tech TRIAD Fixed Assets Inventory System has also been deployed and is now fully operational. The fixed assets records, previously maintained on Paradox, were converted to the new TRIAD system. With the implementation of the new system and conversion of the fixed asset records, the depreciation of assets can now be calculated as required by GASB 34.

The County also engaged the services of KPMG LLP to provide professional and technical guidance in the implementation of GASB 34. KPMG LLP completed a GASB 34 readiness assessment of the County, provided technical clarification and interpretation of the pronouncement, provided strategic direction in the GASB 34 implementation efforts and was instrumental with the County's early implementation efforts with the infrastructure assets reporting requirements of GASB 34. KPMG LLP, with assistance from American Appraisal Associates (a property appraisal valuation services company), also provided a thorough and comprehensive process to identify infrastructure assets, a compilation of the information at a detailed level, valuation of infrastructure assets as of June 30, 2003 according to certified industry standards; and depreciation calculations of the infrastructure assets identified at June 30, 2003. As full compliance with GASB 34 for the reporting and depreciation of infrastructure assets are not required until Fiscal Year end June 30, 2006, the results of KPMG LLP's efforts provide a reliable baseline going forward to ensure timely compliance with GASB 34 by the required date.

### *Performance Measures:*

	<b>FY 2002 Actual</b>	<b>FY 2003 Estimate</b>	<b>FY 2003 1st Qtr</b>
<u>Efficiency thru Technology (E-Tech)</u>			
E-Tech projects completed (of 18 total)	7	11	10
Projects complete under CBSI estimated cost	5	9	6
Projects complete over CBSI estimated cost	2	2	4
<u>Government Accounting Standards Board Statement No. 34 (GASB 34)</u>			
Compliance in financial presentation:			
Restructure of the IFAS	65%	100%	100%
Development of the TRIAD System	40%	100%	100%
Perform a business process review of the accounting and purchasing functions.	5%	50%	5%
Perform a needs assessment analysis to establish the requirements of an asset management system.	20%	100%	50%

**Community Development Block Grant (CDBG)*****Program Description:***

The Community Block Grant (CDBG) program consists of Federal funds provided by the Department of Housing and Urban Development (HUD) for community development projects, which primarily benefit low- and very low-income persons. Resources are focused on special needs housing, public facilities and improvements and public services.

***Program Goals and Activities:***

<b>Goal 10</b>	To maintain a cap on administrative expenses at 20% of total funds
<b>Completion Date</b>	FY 2004

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
To be in conformance with the required limitation of a 20% administrative cap	CDBG	Ensure that the CDBG administrative funds together with funds expended under the classification "Planning and Capacity Building" remain under the 20% cap		Y	

<b>Goal 11</b>	To maintain a level of 1.5% or less of unspent funds for the program year.
<b>Completion Date</b>	FY 2004

Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Provide ongoing technical assistance and support to help the subrecipients achieve goals in order for the projects to be completed as scheduled.	CDBG	Establish clear expectations	List of expectations	Y	\$ 1,947,000
		Establish performance standards	List of standards		
		Conduct on-going monitoring	Progress record		
		Expedite payment requests in a timely manner.			
		Assist in bookkeeping and the following up on payments as necessary			

**Community Development Block Grant (CDBG)*****Program Goals and Activities (Continued):***

<b>Goal 12</b>	To maintain a completed project rate of at least 55% or higher.				
<b>Completion Date</b>	FY 2004				
Objectives of Activities	Division	FY 2004 Activity	Activity Output	Grant Funded	Grant Amount
Ensure that the sub recipients comply with all HUD regulations governing their administrative, financial and programmatic operations.	CDBG	Assist subrecipients in creating good record keeping systems.	Up to date reporting. Greater fiscal control	Y	\$ 1,947,000
		Require quarterly progress reports			
		Implement strong subrecipient screening, risk assessment, selection and orientation			
Ensure that subrecipients achieve their performance objectives within schedule and budget	CDBG	Perform periodic site inspections Encourage open communication Retain cooperative, problem-solving relationship	Project on track		

***Program Resources - Grant Revenue:***

Expense Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004		
	Actual	Actual	Actual	Appropriation	Request	Expansion	Actual
Salaries and Wages	\$ 122,216	\$ 114,464	\$ 119,456	\$ 129,084	\$ <b>135,792</b>	\$ 0	\$ <b>135,792</b>
Operations/Equipment	77,603	59,102	175,245	70,916	<b>69,208</b>	0	<b>69,208</b>
Grants Programs	1,644,500	1,655,000	1,729,139	1,747,000	<b>2,099,000</b>	0	<b>2,099,000</b>
Program Total	\$ 1,844,319	\$ 1,828,566	\$ 2,023,840	\$ 1,947,000	\$ <b>2,304,000</b>	\$ 0	\$ <b>2,304,000</b>

***Program Highlights:***

During FY 2002, the following projects were completed: architectural plans and construction of a septic system at Aloha House; ADA wheel chair ramps at various public sidewalks in Maui County; retained the employment of 5 workers from Hana to continue the eradication process of the Miconia plant; and the design plans and renovation of the Ka Hale A Ke Ola Community Clinic at the Ka Hale A Ke Ola Homeless Resource Center in Wailuku. Due to project start-up delays during FY 2001, the project involving the purchase and installation of frozen meals production kitchen equipment at the Hale Mahaolu Elua facility was completed in FY 2002.



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**Community Development Block Grant (CDBG)**
***Program Highlights (Continued):***

In addition, the following projects are underway and completion is expected before the end of the current fiscal year: plans and construction of a six bedroom 2,700 square feet substance abuse treatment facility for Maui Youth and Family Services; construction of the senior/adult day care center within the Home Pumehana Elderly housing complex; the design of a comprehensive and coordinated plan by the Legal Aid Society of Hawaii to provide an array of prevention services, global assessments, and delivery of services for at-risk families in Maui County; ADA accessibility improvements to County parks facilities; and ADA wheelchair ramps at various public sidewalks in Maui County.

Public Service projects begun during the past fiscal year include: the employment of a Clinic Coordinator and 2 part-time dental assistants and 13 volunteer dentists for the Maui Mobile Care Dental Clinic; and the expansion for 40 additional offenders to participate in the Maui Drug Court Program.

***Performance Measures:***

	<b>FY 2002 Actual</b>	<b>FY 2003 Estimate</b>	<b>FY 2003 1st Qtr</b>
70% cap for projects that benefit the low to moderate income person	92%	72%	75%
15% cap for public service projects	16%	15%	15%
20% cap for planning and administrative activities	8%	10%	11%
1.5% timeliness compliance	1.27%	1.45%	1.40%